

## Remarks/Arguments

This Amendment is submitted in response to the Office Action mailed August 22, 2008. Claims 1-6 and 36-45 are rejected. In this Amendment, claims 1 and 40 have been amended. No claims have been canceled or added. It is respectfully submitted that the amendment do not add new matter. Applicants reserve all rights with respect to the applicability of the Doctrine of Equivalents. Applicants respectfully request consideration of the subject application as amended herein.

### *Claim Rejections under 35 U.S.C. §103(a)*

The Examiner has rejected claims 1-6 and 36-45 under 35 U.S.C. §103(a) as being unpatentable over Levine (U.S. Patent No. 6,233,566) in view of Leapfrog v. Fischer-Price, KSR International C. v. Teleflex, Inc. 550 U.S (2007) (hereinafter "*Leapfrog*"). Applicants respectfully disagree.

Levine describes an exchange system that publishes loans that have already been fulfilled and funded, for sale to buyers in a trading bid (Levine, col. 21, lines 23-40; col. 21, lines 57 to col. 22, lines 37; and figure 23). Sellers post loans or loan pools on the system of Levine, and buyers are able to browse the published offers (Levine, col. 21, line 24 to col. 22, line 4). When a buyer finds a loan or loan pool of interest, the Exchange System enables the buyer and seller to engage in a negotiation for the loan (Levine, col. 22, line 60 to col. 23, line 52).

Claim 1, as amended, recites:

A method for managing loan products on a server, said method comprising the server performing steps of:

receiving by a computer processor of the server a commitment contract, the commitment contract specifying a number of loan products to be fulfilled as a group to satisfy said commitment contract; and

automatically managing by said processor one or more underwriting criteria for said loan products, wherein one of said loan products has a corresponding group of underwriting criteria, and wherein automatically

managing comprises automatically evaluating the underwriting criteria and automatically executing actions to fulfill the commitment contract according to the underwriting criteria with the specified number of loan products.

(Emphasis Added)

That is, a method for managing loan products on a server comprises receiving a commitment contract by a computer processor of the server. The commitment contract specifies a number of loan products to be fulfilled as a group to satisfy said commitment contract. Underwriting criteria are automatically managed for the loan products. One of the loan products has a corresponding group of underwriting criteria, and actions are automatically executed to fulfill the commitment contract according to the underwriting criteria with the specified number of loan products. Applicants respectfully submit that a combination of Levine and Leapfrog fail to describe or suggest each and every feature as claimed.

Levine describes an auction system that allows sellers to post loans and loan pools on an Exchange System. Buyers can make bids on loans/loan pools placed on the system. Finally buyers and sellers can negotiate electronically via the Exchange System (*See Levine, Exchange System, columns 21-25*). Thus, Levine describes a marketplace for offering, and facilitating negotiations between buyers and sellers. In Levine, sellers set terms, buyers negotiate those terms, and a sale is finalized by buyer and seller agreement of a negotiate price (Levine, column 23, lines 11-61; Figs. 15B-D).

Claim 1, as amended, recites in part "receiving by a computer processor of the server a commitment contract, the commitment contract specifying a number of loan products to be fulfilled as a group to satisfy said commitment contract; and ... automatically executing actions to fulfill the commitment contract according to the underwriting criteria with the specified number of loan products." Thus, a commitment contract specifying loan products to be fulfilled as group is received and underwriting criteria are automatically managed until the commitment

contract has been satisfied with the specified number of loan products. Levine only describes an Exchange System for sellers to specify loans/loan pools and buyers to bid on those specified loans/loan pools. None of the buyer, the seller, and the Exchange in Levine describe or suggest a commitment contract that specifies a number of loan products to be fulfilled as a group to satisfy the commitment contract. That is, Levine is silent as to receiving a specification of a commitment to buy loan products to be fulfilled at a later time as a group that satisfies the commitment, in accordance with the language of claim 1.

Furthermore, Levine describes an Exchange system that facilitates negotiation between buyers and sellers, based on loan/loan pool information supplied by, or obtained for, the seller. The buyer then buys loan products based on this information according to the buyer's preferences. Although Levine describes various tools that the buyer may utilize to personally select loans or a loan pool to buy (Levine, column 22, lines 5-59), Levine fails to describe or suggest managing underwriting criteria including automatically executing actions to fulfill the commitment contract according to the underwriting criteria with the specified number of loan products.

The Examiner further cites *Leapfrog* and notes "automatically managing the processor one or more understand criteria and automatically executing actions would be what one of ordinary skill at the time of the invention would expect ..." (Office Action, mailed 8/22/08). As discussed above, however, Levine fails to describe or suggest commitment contract that specifies a number of loan products to be fulfilled as a group to satisfy the commitment contract, or executing actions to fulfill the commitment contract according to the underwriting criteria with the specified number of loan products. Therefore, even if the description of Levine were

automated (e.g., *Leapfrog*), a combination of Levine and Leapfrog would fail to teach or suggest each and every limitation as claimed.

Therefore, Applicants respectfully submit that claim 1 is not obvious over a combination of Levine and *Leapfrog*. Independent claim 40, includes similar limitations and features as those discussed above with respect to claim 1, and thus is similarly not rendered obvious by a combination of Levine and *Leapfrog*. Since the remaining claims depend from one of claims 1 and 40, and include additional limitations and features, the remaining claims are also not anticipated by Levine and *Leapfrog*.

With respect to claims 5 and 6, the Examiner further rejects the claims as being directed to nonfunctional descriptive material (Office Action, mailed 8/22/08, page 3). Applicants respectfully disagree and submit that claims 5 and 6 impart functionality to the claims. With respect to claim 5, the "record" imparts functionality to the claims by informing the method with "... how many of said number of loan products still need to be fulfilled to satisfy said commitment contract ...." Similarly, claim 6 enables the details of a resultant fulfilled commitment contract to be sufficiently clear by storing a record including "a date said funded loans were funded ... and a purchaser of each of the funded loans." Thus, Applicants respectfully submit that claims 5 and 6 are not nonfunctional descriptive material, and request withdrawal of the rejection.

## **Conclusion**


Applicant respectfully submits that in view of the amendments and discussion set forth herein, the applicable rejections have been overcome. Accordingly, the present and amended claims should be found to be in condition for allowance.

If a telephone interview would expedite the prosecution of this application, the Examiner is invited to contact Michael J. Mallie at (408) 720-8300.

If there are any additional charges/credits, please charge/credit our deposit account no. 02-2666.

Respectfully submitted,  
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